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Letter dated 30 May 2001 from the Secretary-General addressed to the President of the Security Council

I have the honour to convey the attached communication, dated 28 May 2001, which I have received from the Secretary-General of the North Atlantic Treaty Organization.

I should be grateful if you would bring it to the attention of the members of the Security Council.

(*Signed*) Kofi A. **Annan**

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Annex

Letter dated 28 May 2001 from the Secretary-General of the North Atlantic Treaty Organization addressed to the Secretary-General

In accordance with Security Council resolution 1088, I attach the monthly report on SFOR operations. I would appreciate your making the report available to the Security Council.

(*Signed*) Lord **Robertson** of Port Ellen

Enclosure

Monthly report to the United Nations on SFOR operations

1. Over the reporting period (1 to 30 April 2001), there were just over 21,000 troops deployed in Bosnia and Herzegovina, and Croatia, with contributions from all the North Atlantic Treaty Organization (NATO) allies and from 15 non-NATO countries.

2. On 3 April, an SFOR soldier died from injuries following an explosion during a minefield reconnaissance in Prozor. On 5 April, a school used mainly by Bosnian Serbs was destroyed in an explosion in Crni-Lug — explosives had been planted in the centre of the building — but no one was injured.

3. During the period under review, tension increased following the announcement of two important decisions, on the one hand by the High Representative on the establishment of provisional administration over the Hercegovacka Banka,* and on the other hand by the International Arbitrator on the final position of the Inter-Entity Boundary Line in the Dobrinja area.

4. On 5 April, the High Representative decided to establish provisional administration over the Hercegovacka Banka following concerns voiced by the Peace Implementation Council on the dubious ownership of the bank and its activities and consequent effect on the economic reform of Bosnia and Herzegovina. The Office of the High Representative, with the support of SFOR, began an anti-fraud operation on 6 April to gather evidence from 10 branches of the bank in eight cities located in Multi-National Division North, South West and South East. Large crowds demonstrated and obstructed entry to the banks in the cities of Grude, Medjugorje and Mostar, and turned violent in Grude and Mostar. Officials of the International Community, the Federation and SFOR were held hostage inside the bank in Grude for 12 hours. Twenty-one SFOR soldiers and three Bosniacs were injured, and two cars were destroyed and 10 others damaged during the incidents.

5. A follow-on operation was successfully carried out in the main branch in Mostar on 18 April when files, a safe and a mainframe computer were confiscated. SFOR continued to guard Organization for Security and Cooperation in Europe (OSCE) and buildings of the Office of the High Representative in Mostar thereafter.

6. SFOR continued to assist the local police and the International Police Task Force in providing a safe and secure environment in the Sarajevo suburb of Dobrinja, near Sarajevo airport, following the ruling by the International Arbitrator appointed by the OHR on the final location of the Boundary Line. The largest part of the disputed territory was returned to the Federation, and the Dayton separation line was redrawn to go through the space between instead of through the middle of housing blocks. The International Arbitrator ruled that no person in legitimate possession of an apartment was to be disturbed following his decision.

7. Apart from some peaceful demonstrations held by a few hundred people in Busovaca and Zepce, several thousand demonstrated on 18 April in Zvornik following the arrest of a Bosnian Serb army commander for crimes against humanity, and on 26 April Bosnian Serbs erected road blocks and vociferously protested against the ruling of the International Arbitrator on the final position of the Boundary Line in the Dobrinja area.

8. During April, SFOR conducted operations to ensure a safe and secure environment throughout Bosnia and Herzegovina to counter the destabilizing effects of Croat National Assembly/Croatian Democratic Union actions to create a third entity. Croat policemen were reportedly coerced into signing a statement in support of the Assembly.

9. SFOR troops continued to conduct reconnaissance and surveillance operations by means of ground and air patrols. Other operations included area security, monitoring the border with Yugoslavia, monitoring the Entity Armed Forces, conducting weapons storage site inspections, providing support to the international organizations in theatre, and collecting weapons and ammunition in the framework of Operation Harvest. Caches of weapons and ammunition discovered near Cesma and in Prnjavor and Mrkonjic Grad were confiscated.

Cooperation and compliance by the parties

10. The situation in theatre remained relatively calm throughout the reporting period, with the Entities in substantial compliance with the military provisions of the Peace Agreement.

11. Over the period, SFOR troops conducted 104 weapons storage site inspections: 39 Bosnian Serb, 22 Bosniac and 36 Bosnian Croat. SFOR secured three Bosnian Croat sites found to be unguarded, and on 15 April began to implement Operation Hatyer II to ensure that Bosnian Croat weapons storage sites were guarded. By 19 April, SFOR had taken over and secured or consolidated weapons storage sites previously guarded by Bosnian Croat units loyal to the Assembly or of questionable loyalty to the Federation.

12. SFOR troops monitored 460 training and movement activities: 249 Bosnian Serb; 140 Bosniac; 7 Bosnian Croat; and 64 Federation.

13. Over the period, a total of 468 mine-clearing activities were conducted: 130 Bosnian Serb, 184 Bosniac, 7 Bosnian Croat, 112 Federation Army Department for Mine Clearance and 35 non-governmental organizations.

Cooperation with international organizations

14. Within capabilities and in accordance with its mandate, SFOR continues to provide assistance to the international organizations in theatre, including the United Nations Mission in Bosnia and Herzegovina, the International Police Task Force, the Office of the High Representative, the International Criminal Tribunal for former Yugoslavia, OSCE and the Office of the United Nations High Commissioner for Refugees (UNHCR).

15. SFOR continues to provide support to the Task Force and local police, particularly during the reporting period in the operation of the Office of the High Representative against the Hercegovacka Banka and following the Office's arbitration decision on the Boundary Line.

16. SFOR continues to support the Office of the High Representative in its efforts to establish common institutions in Bosnia and Herzegovina. SFOR assisted the Office during the second meeting of the International Standing Committee for Bosnia and Herzegovina, held on 19 and 20 April in Vienna, when the action plan for civil aviation matters was reviewed and updated.

17. The Common Defence Policy Paper, a key element for progress in the restructuring of the Entity Armed Forces, remains with the Tri-Presidency. The appointment of new Bosnian Croat and Bosniac members of the Tri-Presidency as well as Croat National Assembly/Croatian Democratic Union activities, have led to a temporary halt in the activities of the Standing Committee on Military Matters, which last met in January 2001.

18. SFOR carried out a review of the main areas for returns for 2001, and continued to support UNHCR in its efforts to encourage the return of Bosnian Serbs from Republika Srpska to Glamoc and the "Range Barbara" area.

Outlook

19. Although the overall security situation in Bosnia and Herzegovina remains under control, the atmosphere is tense due to the destabilizing effects of the Croat National Assembly/Croatian Democratic Union activities to achieve a third entity.

Notes

[*] The decision was taken under the authority granted to the High Representative under articles II and V of annex 10 (Agreement on civilian implementation of the peace settlement) of the General Framework Agreement of the Dayton Peace Accord.